



PST-1 Instructions (for reporting periods January 2024 and after)

General Information

What is prepaid sales tax?

“Prepaid sales tax” is a tax that you (a distributor of motor fuel) must collect on the motor fuel you sell for resale to a retailer who is not also an Illinois licensed motor fuel distributor or a supplier of diesel and dieselhol.

What rate of tax should I collect?

If you file electronically using MyTax Illinois, the rates will be populated for you. You can also use the Tax Rate Database on our website at tax.illinois.gov to determine the current rate. Rates are published on our website at least 20 days prior to January 1 and July 1 each year.

Who must file Form PST-1?

If you are engaged in the business of selling motor fuel to retailers, you must file Form PST-1 and pay the tax you have collected. You must submit with your Form PST-1 a copy of Form PST-2, Statement of Tax Paid, for each sale to motor fuel retailers made during the liability period.

What is Form PST-2?

Form PST-2 is a four-part form, which allows the Department to verify that the information reported by retailers and resellers matches. The retailer is required to file Copy A with Form ST-1 and keep Copy B as a file copy. The reseller is required to file Copy C with Form PST-1 and keep Copy D as a file copy.

When must I file Form PST-1?

You must file this return along with any payment you owe, on or before the 20th day of the month following the end of the liability period.

Note: If the due date falls on a weekend or holiday, your return and payment are due the next business day.

Can I file this return and pay the tax due electronically?

Yes, you can use MyTax Illinois on our website at tax.illinois.gov to file your Form PST-1. MyTax Illinois also allows for electronic payment of any tax due.

What is motor fuel?

For the purposes of this form, “motor fuel” means all volatile and inflammable liquids (e.g., gasoline, gasohol, diesel fuel) that are produced, blended, or compounded for the purpose of, or which can be used for, operating motor vehicles.

Note: Aviation fuel and liquid propane gas are not subject to the prepayment requirement found in the Retailers’ Occupation Tax Act. You should not report the sales of these products on Form PST-1.

Are there any types of fuel for which I am not required to remit prepaid sales tax?

Yes. Effective January 1, 2024, P.A. 102-700 and P.A. 103-9 amend the Retailers’ Occupation Tax Act, the Service Occupation Tax Act, the Use Tax Act, and the Service Use Tax Act, creating a ten-percent exemption for E15 gasohol (not E10), a 20-percent exemption for mid-range ethanol blends, and a 100-percent exemption for diesel fuel containing more than 10%, 13%, 16%, or 19% biodiesel or renewable diesel, as applicable. 35 ILCS 105/3-5.1 and 105/3-10.

“Biodiesel” is defined as “diesel fuel that is not a hydrocarbon fuel and that is derived from biomass that is intended for use in diesel engines.”

“Renewable diesel” is defined as “diesel fuel that is a hydrocarbon fuel derived from biomass meeting the requirements of the latest version of ASTM standards D975 or D396. Fuels that have been co-processed are not considered renewable diesel.” 35 ILCS 105/3-41 and 105/3-42.5.

The exemption from taxes imposed by the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers’ Occupation Tax Act for diesel fuel containing biodiesel or renewable diesel applies as follows:

- On and after January 1, 2024, and on or before December 31, 2030, the tax applies to 100 percent of the proceeds of sales of biodiesel blends with no less than 1% and no more than 10% biodiesel and any diesel fuel containing no less than 1% and no more than 10% renewable diesel.
- From January 1, 2024, through March 31, 2024, the tax does not apply to the proceeds of sales of any diesel fuel containing more than 10% biodiesel or renewable diesel.
- From April 1, 2024, through November 30, 2024, the tax does not apply to the proceeds of sales of any diesel fuel containing more than 13% biodiesel or renewable diesel.
- From December 1, 2024, through March 31, 2025, the tax does not apply to the proceeds of sales of any diesel fuel containing more than 10% biodiesel or renewable diesel.
- From April 1, 2025, through November 30, 2025, the tax does not apply to the proceeds of sales of any diesel fuel containing more than 16% biodiesel or renewable diesel.
- From December 1, 2025, through March 31, 2026, the tax does not apply to the proceeds of sales of any diesel fuel containing more than 10% biodiesel or renewable diesel.
- On and after April 1, 2026, and on or before November 30, 2030, the tax does not apply to the proceeds of sales of any diesel fuel containing more than 19% biodiesel or renewable diesel; except that, from December 1 of calendar years 2026, 2027, 2028, and 2029 through March 31 of the following calendar year, and from December 1, 2030, through December 31, 2030, the tax does not apply to the proceeds of sales of any diesel fuel containing more than 10% biodiesel or renewable diesel.

General Information

“Gasohol” is defined as “motor fuel that is a blend of denatured ethanol and gasoline that contains no more than 1.25% water by weight.” On and after January 1, 2024, the blend must contain 85% gasoline and 15% denatured ethanol. 35 ILCS 105/3-40.

“Mid-range ethanol blends” are defined as “a blend of gasoline and denatured ethanol that contains at least 20% but less than 51% denatured ethanol.” 35 ILCS 105/3-44.3.

On and after January 1, 2024, “majority blended ethanol” is defined as “motor fuel that is capable of being used in the operation of flexible fuel vehicles and contains at least 51% and not more than 83% ethanol, by volume, as specified in ASTM Standard D5798-11, and no less than 17% and no more than 49% gasoline.” 35 ILCS 105/3-44.

What if I need help?

If you need help, call our Taxpayer Assistance Division at 1 800 732-8866, 217 782-3336, or 1 800 544-5304 (TTY). You may also visit our website at tax.illinois.gov or scan the QR code provided.



Specific Instructions

Step 1: Figure your gallonage information and your tax and payment due

Line 1

Enter the total number of gallons of motor fuel you sold, delivered, or transferred during this period. Include deliveries that you made to your company-owned outlets.

Line 2e

If the organization is a retailer of motor fuel, you may not deduct the gallons sold.

Line 2f

Enter the number of gallons you sold to out-of-state retailers who take delivery in Illinois and certify that they will always resell and deliver the fuel to their customers outside Illinois.

Line 2g

Enter the total gallons of exempt motor fuel (*i.e.*, majority blended ethanol fuel, 100% biodiesel or renewable diesel fuel, or diesel fuel containing more than 10%, 13%, 16%, or 19% biodiesel or renewable diesel, as applicable) that you sold.

Line 2h

Enter the total gallons you sold to customers other than retailers. Include deliveries made to your company-owned (and not leased) outlets. Do not include amounts reported on Lines 2a through 2g.

Line 4a

Enter the total number of gallons of gasohol (E15 only, not E10) subject to prepaid sales tax for this reporting period. This is the total from Line 8a of all PST-2 forms.

Line 4b

Enter the total number of gallons of mid-range ethanol blends subject to prepaid sales tax for this reporting period. This is the total from Line 9a of all PST-2 forms.

Line 4c

Enter the total number of gallons of diesel fuel containing 1% - 10% biodiesel or renewable diesel subject to prepaid sales tax for this reporting period. This is the total from Line 10a of all PST-2 forms.

Line 4d

Enter the total number of gallons of all other motor fuels subject to prepaid sales tax for this reporting period. This is the total from Line 11a of all PST-2 forms.

Lines 5 – 8

Tax rates are available in the Tax Rate Database on the Department’s website at tax.illinois.gov.

Line 5

Multiply Line 4a by the applicable tax rate.

Line 6

Multiply Line 4b by the applicable tax rate.

Line 7

Multiply Line 4c by the applicable tax rate.

Line 8

Multiply Line 4d by the applicable tax rate.

Line 9

Add Lines 5 through 8. This is your total prepaid sales tax due.

Specific Instructions

Line 10

Enter the total amount of quarter-monthly payments you have made using Form PST-3, Prepaid Sales Tax Quarter-Monthly Payment, or have made electronically. Include any prior overpayment credit you have used to make these payments.

Line 11

Subtract Line 10 from Line 9. This is your tax after quarter-monthly payments.

Line 12

If you collected more prepaid sales tax than is due, enter your total excess tax collected.

Line 13

Add Lines 11 and 12. This is your total tax due.

Line 14

If you have a credit memorandum or prior overpayment and you wish to use it towards what you owe, enter the amount you are using here.

Line 15

Subtract Line 14 from Line 13. Enter the result on Line 15. This is your payment due. Make your payment to Illinois Department of Revenue.

Step 2: Sign below

We cannot process this return until it is signed by an owner, partner, officer, or other person authorized to sign the return.

Penalty and Interest Information

You owe a **late filing penalty** if you do not file a processable return by the due date, a **late payment penalty** if you do not pay the amount you owe by the original due date of the return or were required to make quarter-monthly payments and failed to do so, a **bad check penalty** if your remittance is not honored by your financial institution, and a **cost of collection fee** if you do not pay the amount you owe within 30 days of the date printed on a notice or bill. For more information, see Publication 103, Penalties and Interest for Illinois Taxes, which is available on our website at [tax.illinos.gov](http://tax.illinois.gov).

We will bill you for any penalty and interest amounts owed.

Send your return and remittance to:

**ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19034
SPRINGFIELD IL 62794-9034**